

Auditing Procedures Report

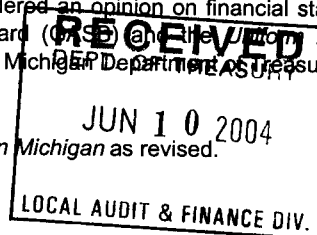
Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input checked="" type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name SHOREHAM	County BERRIEN
Audit Date 3/31/04	Opinion Date 5/5/04	Date Accountant Report Submitted to State: 6/8/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.



We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) SIEGFRIED CRANDALL P.C.			
Street Address 246 E. KILGORE RD.	City KALAMAZOO	State MI	ZIP 49002
Accountant Signature <i>Siegfried Crandall P.C.</i>		Date	

Village of Shoreham, Michigan
**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**
Year ended March 31, 2004

CONTENTS

	<i>Page</i>
INDEPENDENT AUDITORS' REPORT	3
GENERAL PURPOSE FINANCIAL STATEMENTS:	
Combined balance sheet - all fund types and account group	4
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	5
Combined statement of revenues, expenditures, and changes in fund balances - budget and actual - general and special revenue funds	6
Notes to financial statements	7 - 10
COMBINING AND INDIVIDUAL FUND STATEMENTS:	
Governmental fund types:	
Balance sheet - General Fund	11
Statement of revenues, expenditures, and changes in fund balance - budget and actual - General Fund	12 - 13
Combining balance sheet - special revenue funds	14
Combining statement of revenues, expenditures, and changes in fund balances - special revenue funds	15
Statement of revenues, expenditures, and changes in fund balance - budget and actual:	
Major Street Fund	16
Local Street Fund	17

INDEPENDENT AUDITORS' REPORT

Village Council
Village of Shoreham
St. Joseph, Michigan

We have audited the accompanying general purpose financial statements of the Village of Shoreham, Michigan, as of March 31, 2004, and for the year then ended, as listed in the contents. These general purpose financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Shoreham, Michigan, as of March 31, 2004, and the results of its operations for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying combining and individual fund statements listed in the contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Village of Shoreham, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Siegfried Crandall P.C.

May 5, 2004

GENERAL PURPOSE FINANCIAL STATEMENTS

Village of Shoreham**COMBINED BALANCE SHEET - all fund types and account group**

March 31, 2004

		<i>Governmental fund types</i>	
		<i>General</i>	<i>Special revenue</i>
ASSETS			
Cash		\$ 28,634	\$ 30,805
Investments - U.S. treasury bills		293,615	557,407
Receivables:			
Taxes		1,011	-
Accrued interest		961	1,821
Due from other governmental units		8,989	8,649
Fixed assets		-	-
TOTAL ASSETS		<u>\$ 333,210</u>	<u>\$ 598,682</u>
FUND EQUITY			
LIABILITIES			
Accounts payable		\$ 10,010	\$ -
FUND EQUITY:			
Investment in general fixed assets		-	-
Fund balance:			
Unreserved, undesignated		323,200	598,682
Total fund equity		<u>323,200</u>	<u>598,682</u>
TOTAL LIABILITIES AND FUND EQUITY		<u>\$ 333,210</u>	<u>\$ 598,682</u>

<i>Account group</i>	<i>Totals</i>	
	<i>(memorandum only)</i>	
	<i>2004</i>	<i>2003</i>
<i>General</i>		
<i>fixed assets</i>		
\$ -	\$ 59,439	\$ 76,983
-	851,022	765,289
-	1,011	1,970
-	2,782	4,933
-	17,638	16,261
<u>105,478</u>	<u>105,478</u>	<u>105,478</u>
<u>\$ 105,478</u>	<u>\$ 1,037,370</u>	<u>\$ 970,914</u>
<u>\$ -</u>	<u>\$ 10,010</u>	<u>\$ 2,138</u>
105,478	105,478	105,478
<u>-</u>	<u>921,882</u>	<u>863,298</u>
<u>105,478</u>	<u>1,027,360</u>	<u>968,776</u>
<u>\$ 105,478</u>	<u>\$ 1,037,370</u>	<u>\$ 970,914</u>

See notes to financial statements

Village of Shoreham

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - all governmental fund types**

Year ended March 31, 2004

	<u>General</u>	<u>Special revenue</u>	<u>Totals</u> <u>(memorandum only)</u>	
			<u>2004</u>	<u>2003</u>
REVENUES:				
Taxes	\$ 35,779	\$ -	\$ 35,779	\$ 32,694
State grants	58,988	44,426	103,414	104,086
Interest	1,983	3,716	5,699	14,362
Other	1,100	-	1,100	1,150
Total revenues	<u>97,850</u>	<u>48,142</u>	<u>145,992</u>	<u>152,292</u>
EXPENDITURES:				
Legislative	3,950	-	3,950	3,350
General government	38,821	-	38,821	36,158
Public safety	13,425	-	13,425	10,897
Public works	9,087	7,470	16,557	22,003
Community and economic development	7,000	-	7,000	-
Recreation and cultural	7,655	-	7,655	6,242
Total expenditures	<u>79,938</u>	<u>7,470</u>	<u>87,408</u>	<u>78,650</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>17,912</u>	<u>40,672</u>	<u>58,584</u>	<u>73,642</u>
OTHER FINANCING SOURCES (USES):				
Operating transfer in	-	7,400	7,400	7,000
Operating transfer out	-	(7,400)	(7,400)	(7,000)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>17,912</u>	<u>40,672</u>	<u>58,584</u>	<u>73,642</u>
FUND BALANCE - BEGINNING OF YEAR	<u>305,288</u>	<u>558,010</u>	<u>863,298</u>	<u>797,693</u>
FUND BALANCE - END OF YEAR	<u>\$ 323,200</u>	<u>\$ 598,682</u>	<u>\$ 921,882</u>	<u>\$ 871,335</u>

See notes to financial statements

Village of Shoreham**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - general and special revenue funds**

Year ended March 31, 2004

	<i>General</i>		<i>Variance favorable (unfavorable)</i>
	<i>Budget</i>	<i>Actual</i>	
REVENUES:			
Taxes	\$ 27,255	\$ 35,779	\$ 8,524
State grants	56,000	58,988	2,988
Interest	9,400	1,983	(7,417)
Other	1,300	1,100	(200)
Total revenues	93,955	97,850	3,895
EXPENDITURES:			
Legislative	4,200	3,950	250
General government	44,080	38,821	5,259
Public safety	13,425	13,425	-
Public works	12,000	9,087	2,913
Community and economic development	-	7,000	(7,000)
Recreation and cultural	7,730	7,655	75
Total expenditures	81,435	79,938	1,497
EXCESS OF REVENUES OVER EXPENDITURES	12,520	17,912	5,392
OTHER FINANCING SOURCES (USES):			
Operating transfer in	-	-	-
Operating transfer out	-	-	-
Total other financing sources	-	-	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	12,520	17,912	5,392
FUND BALANCE - BEGINNING OF YEAR	305,288	305,288	-
FUND BALANCE - END OF YEAR	\$ 317,808	\$ 323,200	\$ 5,392

<i>Special revenue</i>			<i>Totals (memorandum only)</i>		
<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
\$ -	\$ -	\$ -	\$ 27,255	\$ 35,779	\$ 8,524
38,000	44,426	6,426	94,000	103,414	9,414
15,500	3,716	(11,784)	24,900	5,699	(19,201)
-	-	-	1,300	1,100	(200)
<u>53,500</u>	<u>48,142</u>	<u>(5,358)</u>	<u>147,455</u>	<u>145,992</u>	<u>(1,463)</u>
-	-	-	4,200	3,950	250
-	-	-	44,080	38,821	5,259
-	-	-	13,425	13,425	-
38,850	7,470	31,380	50,850	16,557	34,293
-	-	-	-	7,000	(7,000)
-	-	-	7,730	7,655	75
<u>38,850</u>	<u>7,470</u>	<u>31,380</u>	<u>120,285</u>	<u>87,408</u>	<u>32,877</u>
<u>14,650</u>	<u>40,672</u>	<u>26,022</u>	<u>27,170</u>	<u>58,584</u>	<u>31,414</u>
6,800	7,400	(600)	6,800	7,400	(600)
(7,400)	(7,400)	-	(7,400)	(7,400)	-
<u>(600)</u>	<u>-</u>	<u>(600)</u>	<u>(600)</u>	<u>-</u>	<u>(600)</u>
14,050	40,672	25,422	26,570	58,584	30,814
<u>558,010</u>	<u>558,010</u>	<u>-</u>	<u>863,298</u>	<u>863,298</u>	<u>-</u>
<u>\$ 572,060</u>	<u>\$ 598,682</u>	<u>\$ 25,422</u>	<u>\$ 889,868</u>	<u>\$ 921,882</u>	<u>\$ 30,814</u>

See notes to financial statements

Village of Shoreham
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Village of Shoreham functions as a "general law" Village under Act 3 of 1895. Therefore, the Village Charter is Act 3 of 1895, as amended by the Michigan Legislature. The Village operates under the Council form of government consisting of the President and Trustees. Other Village officials, except for Clerk, Treasurer, and Assessor, are appointed by the Council.

The accounting policies of the Village of Shoreham, Michigan (the Village), conform to U.S. generally accepted accounting principles (hereinafter referred to as generally accepted accounting principles) as applicable to governments. The following is a summary of the more significant policies:

a) Reporting entity:

In accordance with generally accepted accounting principles and Government Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, these financial statements present the Village (primary government). The criteria established by the GASB for determining the reporting entity include oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included. The Village has determined that no outside agency meets the above criteria and, therefore, no outside agency has been included as a blended or discretely-presented component unit in the Village's financial statements.

b) Basis of presentation:

The accounts of the Village are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The financial activities of the Village are recorded in the separate funds and account group, categorized, and described as follows:

i) Governmental funds

General Fund - this fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operations expenditures of the local unit. Revenues are derived primarily from property taxes, state distributions, interest, and charges for certain services.

Special revenues funds - these funds are used to account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action.

ii) Account group

General fixed assets account group - this account group presents the fixed assets of the Village utilized in its general operations.

Village of Shoreham
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

c) Basis of accounting:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

d) Budgets and budgetary accounting:

The Village follows the procedure in establishing the budgetary data reflected in the financial statements in accordance with the Uniform Budgeting and Accounting Act (Act No. 621, Public Acts of 1978) as prescribed by the State of Michigan.

Budgets for the general and special revenue funds are adopted at the functional level and are on a basis consistent with generally accepted accounting principles.

e) Fixed assets:

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

This account group is not a fund. It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

f) Property tax revenues recognition:

The Village levy date is July 1 on property values assessed as of December 31 of the prior year. The billings are due on September 14 (75 days after the date levied), after which time the bill becomes delinquent and penalties and interest may be assessed by the Village. The Village considers property taxes levied July 1 to be revenues of the current year.

g) Totals - (memorandum only):

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation as interfund eliminations have not been made.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

h) Comparative data:

Comparative data for the prior year has been presented in the financial statements in order to provide an understanding of the changes in the Village's financial data. However, comparative data (i.e. presentation of prior year totals by fund type) has not been presented in each of the statements because their inclusion would make the statements unduly complex and difficult to read.

NOTE 2 - CASH AND INVESTMENTS:

a) Deposits with financial institutions:

At March 31, 2004, the Village has deposits with a carrying value of \$59,439 and a bank balance of \$59,308. Of the bank balance, \$59,308 is covered by federal depository insurance.

b) Investments:

State statutes authorize the Village to invest in a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper within three (3) highest rate classifications by at least two (2) national rating services, maturing not later than 270 days; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers acceptances; and e) investment pools, such as common trust funds and mutual funds that hold those investments allowed by state statute. Not more than 50% of any fund may be invested in commercial paper.

The Village's investments of \$851,022 consist of uninsured and unregistered short-term T-bills for which the securities are held by the brokers' or dealers' trust department or agent in the Village's name. For all of the investments, cost approximates market.

NOTE 3 - FIXED ASSETS:

A summary of changes in general fixed assets follows:

	<u>Balance April 1, 2003</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance March 31, 2004</u>
Park, land, and improvements	\$ 64,107	\$ -	\$ -	\$ 64,107
Equipment	30,165	-	-	30,165
Buildings and improvements	<u>11,206</u>	<u>-</u>	<u>-</u>	<u>11,206</u>
INVESTMENT IN GENERAL FIXED ASSETS	<u>\$105,478</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$105,478</u>

NOTE 4 - RELATED PARTY TRANSACTIONS:

The Village has a maintenance contract for the Village park and hall from Vernon Shoff, the husband of the Village's Treasurer. The amount paid for the year ended March 31, 2004, was \$7,655.

Village of Shoreham
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 - CLAIMS ARISING FROM RISKS OF LOSS:

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village has joined together with other local governmental units in the state to form the Michigan Municipal League Insurance Pool (MML), a public entity risk pool currently operating as a common risk management and insurance program for local governmental units within the state. The Village pays an annual premium to MML for all of its insurance coverages. MML is self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$5,000,000 for each insured event.

NOTE 6 - JOINT VENTURE:

Village of Shoreham and St. Joseph Township Fire Authority:

The Village is a member of the Village of Shoreham and St. Joseph Township Fire Authority, which is a joint venture of the Village of Shoreham and the Township of St. Joseph. The administrative board of the Authority consists of members appointed by each participating unit and a member at-large. The Authority was formed to jointly provide fire protection services within the combined service area, which encompasses the participating municipalities. The Village has no equity interest in the Authority; therefore, financial information of the Authority has not been included in the Village's general purpose financial statements.

Costs of operations and capital asset acquisitions of the Authority are supported by contributions from the Village, which contributes a proportionate share of the proposed budget (currently 11%), based on the assessed property values within the Village. During the year ended March 31, 2004, the Village contributed \$12,125 as its proportionate share of the Authority's budgeted costs. Complete audited financial statements for the Authority can be obtained from the Treasurer of the Township of St. Joseph.

NOTE 7 - EXPENDITURES IN EXCESS OF BUDGET:

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Village's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Village for these budgetary funds were adopted to the function level.

During the year ended March 31, 2004, the Village incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated.

The following schedule sets forth significant budget variations:

<u>Fund</u>	<u>Authority</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General	Community and economic development	\$ -	\$7,000	\$7,000

COMBINING AND INDIVIDUAL FUND STATEMENTS

Village of Shoreham
BALANCE SHEET - General Fund
March 31, 2004

	<u>2004</u>	<u>2003</u>
ASSETS		
Cash	\$ 28,634	\$ 36,843
Investments - U.S. treasury bills	293,615	258,414
Receivables:		
Taxes	1,011	1,970
Accrued interest	961	1,666
Due from other governmental units	<u>8,989</u>	<u>8,533</u>
TOTAL ASSETS	<u>\$ 333,210</u>	<u>\$ 307,426</u>
FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 10,010	\$ 2,138
FUND BALANCE:		
Unreserved - undesignated	<u>323,200</u>	<u>305,288</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 333,210</u>	<u>\$ 307,426</u>

Village of Shoreham**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - General Fund**

Year ended March 31, 2004

	<u>2004</u>			<u>2003</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>	<u>Actual</u>
REVENUES:				
Taxes:				
Current property taxes	\$ 27,000	\$ 35,421	\$ 8,421	\$ 32,367
Tax collection fees	255	358	103	327
Total taxes	<u>27,255</u>	<u>35,779</u>	<u>8,524</u>	<u>32,694</u>
State grants	<u>56,000</u>	<u>58,988</u>	<u>2,988</u>	<u>62,184</u>
Interest	<u>9,400</u>	<u>1,983</u>	<u>(7,417)</u>	<u>4,749</u>
Other	<u>1,300</u>	<u>1,100</u>	<u>(200)</u>	<u>1,150</u>
Total revenues	<u>93,955</u>	<u>97,850</u>	<u>3,895</u>	<u>100,777</u>
EXPENDITURES:				
Legislative - Village Council	<u>4,200</u>	<u>3,950</u>	<u>250</u>	<u>3,350</u>
General government:				
Salaries:				
President	1,200	1,200	-	1,200
Clerk	3,225	3,225	-	3,225
Treasurer	3,700	3,225	475	3,225
Assessor	100	-	100	-
Election board	-	352	(352)	-
Weed commissioner	300	75	225	300
Board of appeals	100	-	100	50
Park board chairperson	200	200	-	200
Office supplies	2,000	1,934	66	1,520
Election supplies	335	335	-	100
Legal and auditing	7,865	7,950	(85)	11,473
Trash removal	2,000	1,200	800	875
Tax roll preparation	500	430	70	420
Community promotions	500	191	309	219
Printing and publications	5,500	5,706	(206)	187
Insurance and bonds	6,000	5,590	410	5,362

Village of Shoreham**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - General Fund (Continued)**

Year ended March 31, 2004

	2004			2003
	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>	<u>Actual</u>
EXPENDITURES (Continued):				
General government (continued):				
Utilities - Village hall	\$ 1,155	\$ 825	\$ 330	\$ 784
Building and grounds maintenance	3,500	3,000	500	4,034
Administration fee	500	500	-	500
Miscellaneous	4,685	2,169	2,516	1,790
Association dues	715	714	1	694
Total general government	<u>44,080</u>	<u>38,821</u>	<u>5,259</u>	<u>36,158</u>
Public safety:				
Police	1,300	1,300	-	1,300
Fire protection	12,125	12,125	-	9,597
Total public safety	<u>13,425</u>	<u>13,425</u>	<u>-</u>	<u>10,897</u>
Public works:				
Street lighting	12,000	8,930	3,070	9,010
Sanitation service	-	157	(157)	150
Total public works	<u>12,000</u>	<u>9,087</u>	<u>2,913</u>	<u>9,160</u>
Community and economic development	<u>-</u>	<u>7,000</u>	<u>(7,000)</u>	<u>-</u>
Recreation and cultural - park maintenance	<u>7,730</u>	<u>7,655</u>	<u>75</u>	<u>6,242</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,037</u>
Total expenditures	<u>81,435</u>	<u>79,938</u>	<u>1,497</u>	<u>73,844</u>
EXCESS OF REVENUES OVER EXPENDITURES	12,520	17,912	5,392	26,933
FUND BALANCE - BEGINNING OF YEAR	<u>305,288</u>	<u>305,288</u>	<u>-</u>	<u>278,355</u>
FUND BALANCE - END OF YEAR	<u>\$ 317,808</u>	<u>\$ 323,200</u>	<u>\$ 5,392</u>	<u>\$ 305,288</u>

Village of Shoreham
COMBINING BALANCE SHEET - special revenue funds
 March 31, 2004

	<u>Major Street</u>	<u>Local Street</u>	<u>Totals</u>	
			<u>2004</u>	<u>2003</u>
ASSETS				
Cash	\$ 21,600	\$ 9,205	\$ 30,805	\$ 40,140
Investments - U.S. treasury bills	418,083	139,324	557,407	506,875
Receivable - accrued interest	1,416	405	1,821	3,267
Due from other governmental units	<u>5,910</u>	<u>2,739</u>	<u>8,649</u>	<u>7,728</u>
TOTAL ASSETS	<u>\$ 447,009</u>	<u>\$ 151,673</u>	<u>\$ 598,682</u>	<u>\$ 558,010</u>
FUND BALANCE				
FUND BALANCE:				
Unreserved, undesignated	<u>\$ 447,009</u>	<u>\$ 151,673</u>	<u>\$ 598,682</u>	<u>\$ 558,010</u>

Village of Shoreham**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - special revenue funds***Year ended March 31, 2004*

	<i>Major Street</i>	<i>Local Street</i>	<i>Totals</i>	
			<i>2004</i>	<i>2003</i>
REVENUES:				
State grants	\$ 30,363	\$ 14,063	\$ 44,426	\$ 41,902
Interest	<u>2,992</u>	<u>724</u>	<u>3,716</u>	<u>9,613</u>
Total revenues	33,355	14,787	48,142	51,515
EXPENDITURES:				
Public works	<u>2,155</u>	<u>5,315</u>	<u>7,470</u>	<u>12,843</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>31,200</u>	<u>9,472</u>	<u>40,672</u>	<u>38,672</u>
OTHER FINANCING SOURCES (USES):				
Operating transfer in	-	7,400	7,400	7,000
Operating transfer out	<u>(7,400)</u>	<u>-</u>	<u>(7,400)</u>	<u>(7,000)</u>
Total other financing sources (uses)	<u>(7,400)</u>	<u>7,400</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	23,800	16,872	40,672	38,672
FUND BALANCE - BEGINNING OF YEAR	<u>423,209</u>	<u>134,801</u>	<u>558,010</u>	<u>519,338</u>
FUND BALANCE - END OF YEAR	<u>\$ 447,009</u>	<u>\$ 151,673</u>	<u>\$ 598,682</u>	<u>\$ 558,010</u>

Village of Shoreham**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - Major Street Fund**

Year ended March 31, 2004

	<u>2004</u>			<u>2003</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>	<u>Actual</u>
REVENUES:				
State grant	\$ 26,000	\$ 30,363	\$ 4,363	\$ 28,638
Interest	12,000	2,992	(9,008)	7,405
Total revenues	<u>38,000</u>	<u>33,355</u>	<u>(4,645)</u>	<u>36,043</u>
EXPENDITURES:				
Public works:				
Administration	1,400	1,079	321	1,700
Routine maintenance	8,650	268	8,382	2,463
Winter maintenance	4,000	808	3,192	749
Total expenditures	<u>14,050</u>	<u>2,155</u>	<u>11,895</u>	<u>4,912</u>
EXCESS OF REVENUES OVER EXPENDITURES	23,950	31,200	7,250	31,131
OTHER FINANCING USES:				
Operating transfer out - Local Street Fund	<u>(7,400)</u>	<u>(7,400)</u>	<u>-</u>	<u>(7,000)</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USES	16,550	23,800	7,250	24,131
FUND BALANCE - BEGINNING OF YEAR	<u>423,209</u>	<u>423,209</u>	<u>-</u>	<u>399,078</u>
FUND BALANCE - END OF YEAR	<u>\$ 439,759</u>	<u>\$ 447,009</u>	<u>\$ 7,250</u>	<u>\$ 423,209</u>

Village of Shoreham**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - Local Street Fund**

Year ended March 31, 2004

	<u>2004</u>			<u>2003</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>	<u>Actual</u>
REVENUES:				
State grant	\$ 12,000	\$ 14,063	\$ 2,063	\$ 13,264
Other - interest	<u>3,500</u>	<u>724</u>	<u>(2,776)</u>	<u>2,208</u>
Total revenues	<u>15,500</u>	<u>14,787</u>	<u>(713)</u>	<u>15,472</u>
EXPENDITURES:				
Public works:				
Administration	950	623	327	1,243
Routine maintenance	11,850	748	11,102	3,033
Winter maintenance	<u>12,000</u>	<u>3,944</u>	<u>8,056</u>	<u>3,655</u>
Total expenditures	<u>24,800</u>	<u>5,315</u>	<u>19,485</u>	<u>7,931</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,300)	9,472	18,772	7,541
OTHER FINANCING SOURCES:				
Operating transfer in - Major Street Fund	<u>6,800</u>	<u>7,400</u>	<u>(600)</u>	<u>7,000</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(2,500)	16,872	18,172	14,541
FUND BALANCE - BEGINNING OF YEAR	<u>134,801</u>	<u>134,801</u>	<u>-</u>	<u>120,260</u>
FUND BALANCE - END OF YEAR	<u>\$ 132,301</u>	<u>\$ 151,673</u>	<u>\$ 18,172</u>	<u>\$ 134,801</u>